

Comments on ETAAC Report Discussion Draft - Released 11_15_07.txt

Subject:

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From:

mwaddison <mwaddison@cox.net>

Date:

Mon, 26 Nov 2007 10:13:04 -0500

To:

schurch@arb.ca.gov

Dear Mr. Church,

CARB and the people of California are to be congratulated on the pioneering moves they have made and are making. Not only will it help the environment of California but it will put California business in a new, competitive trajectory. I want to take this opportunity to make a comment on the concept of the Carbon Trust Fund.

As I understand it, the purpose is to create "an incentive fund using allowance revenues to encourage carbon reductions in sectors inside and outside the cap, while also supporting environmental justice goals, actively managing the carbon market, and encouraging research, development and demonstration efforts." Excellent! Since the benefit of carbon reductions is not confined to any specific geographic area, then the operating instructions for the Fund should be acquire the carbon allowances or CERS (any term that you want to use) in the most cost effective manner. This insures that the money spent will have the biggest impact on carbon. To this end, the purchase of the allowances should not be restricted to California. It is most likely that the cost of carbon reduction is lower in the developing world than it is California. There is a wide body of literature and experience that suggests this to be the case and given the 2012 time frame, this could be a quick and cost effective method of jump starting the process.

Thank You.

Matthew W. Addison